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Financial Advisors and Consultants for Chapter 7 Trustee

UNITED STATES BANKRUPTCY COURT
CENTRAL DISTRICT OF CALIFORNIA
LOS ANGELES DIVISION

In re:

PACIFIC THEATRES EXHIBITION CORP., et
al.,

Debtors and Debtors in Possession.

Chapter 7

Lead Case No.: 2:21-bk-15007-BB

Jointly administered with:
2:21-bk-15008-BB (Pacific Theatres
Entertainment Corporation)
2:21-bk-15009-BB (Pacific Cinemas
Corporation)
2:21-bk-15010-BB (Glendale Americana
Theatre, LLC)
2:21-bk-15011-BB (ArcLight Cinema
Company)
2:21-bk-15012-BB (ArcLight Visions,
Inc.)

- ☒ Affects all Debtors
- ☐ Affects Pacific Theatres Exhibition
Corporation only
- ☐ Affects Pacific Theatres Entertainment
Corporation only
- ☐ Affects Pacific Cinemas Corporation only
- ☐ Affects Glendale Americana Theatre, LLC
only
- ☐ Affects ArcLight Cinema Company only
- ☐ Affects ArcLight Visions, Inc. only

**SECOND INTERIM APPLICATION FOR
COMPENSATION OF FEES AND
REIMBURSEMENT OF EXPENSES OF
MENCHACA & COMPANY, LLP AS
FINANCIAL ADVISORS AND
CONSULTANTS FOR TRUSTEE;
DECLARATIONS OF JEFFREY L.
SUMPTER AND TRUSTEE IN
SUPPORT THEREOF**

Date: August 9, 2023
Time: 2:00 p.m.
Place: Courtroom 1539
255 E. Temple Street
Los Angeles, CA 90012

1 **TO THE HONORABLE SHERI BLUEBOND, UNITED STATES BANKRUPTCY JUDGE,**
2 **THE OFFICE OF THE UNITED STATES TRUSTEE, THE DEBTORS, CREDITORS AND**
3 **OTHER INTERESTED PARTIES:**

4
5 Menchaca & Company, LLP (the "Applicant"), financial advisors and consultants for
6 Edward M. Wolkowitz, Chapter 7 Trustee (the "Trustee") in this Chapter 7 case, in support
7 of its second interim application for allowance of fees and reimbursement of expenses
8 pursuant to 11 U.S.C. §§ 328, 330 and 331, represents as follows:

9 **INTRODUCTION**

10
11 1. The above-captioned cases were commenced by the above-captioned
12 Debtors' (the "Debtors") filing of voluntary petitions for relief under Chapter 7 of the
13 Bankruptcy Code on June 18, 2021. The cases were thereafter consolidated. Applicant
14 was employed as the Trustee's financial advisors and consultants herein pursuant to this
15 Court's order, effective as of July 22, 2021. This is Applicant's second interim fee
16 application in this case and covers Applicant's services rendered in this case from
17 September 1, 2022 through June 15, 2023. Applicant previously filed a first interim fee
18 application in this case which covered Applicant's services rendered from July 22, 2021
19 through August 31, 2022. Applicant requested fees therein of \$85,758.00 and agreed to a
20 voluntary reduction of \$10,000.00 thereby requesting fees to be awarded of \$75,758.00.
21 Pursuant to this Court's order entered on December 2, 2022, Applicant was awarded fees
22 of \$75,758.00 and \$65,000.00 thereof was approved for payment on an interim basis,
23 which amount Applicant has now received. Applicant's awarded and unpaid fees from the
24 first interim fee application are \$10,758.00, which Applicant is now requesting to be paid
25 along with Applicant's additional fees incurred of \$11,181.00 as set forth below. Applicant
26 was employed by the Trustee for the benefit of the estate and its creditors to identify and
27
28

1 investigate potential assets of the estate, analyze and investigate avoidable transfers
2 made by the Debtors, provide litigation support, valuation, expert witness and tax services,
3 and provide such other financial advisory and consulting services as requested by the
4 Trustee. Applicant has diligently performed those services at the request and direction of
5 the Trustee and his counsel.

6 **SUMMARY OF THE FIRM'S ACTIVITIES IN THE CASE AS FINANCIAL ADVISORS**
7
8 **AND CONSULTANTS FOR THE TRUSTEE**

9 2. From September 1, 2022 through June 15, 2023 (the period covered by this fee
10 application), Applicant has rendered valuable services to the estate in the following areas.

11 **Tax Services**

12 3. As authorized by the Trustee, Applicant reviewed and reconstructed
13 business records of the Debtors and analyzed the tax consequences related to the
14 Trustee's recovery of estate assets. Applicant prepared the requisite accounting of the
15 estate's activities to provide support for the preparation of the federal and state income tax
16 returns required to be filed.

17 4. These services required 7.2 hours and \$3,668.00 in fees during the period
18 covered hereby.

19 **Employment/Fee Applications**

20 5. Included in this category are fees relating to the preparation, review and filing
21 of pleadings relative to the firm's first and second interim fee applications, and related
22 exhibits and declarations, and in attending hearing(s) thereon.

23 6. These services required 14.5 hours and \$7,277.50 in professional fees
24 during the period covered hereby.

25 **Asset Analysis and Recovery**

1 7. Applicant requested, retrieved, reviewed and reconstructed the accounting
2 and related business records of the Debtors, related parties and various creditors in order
3 to assist the Trustee and his counsel in the evaluation, resolution and recovery of potential
4 avoidable transfers and other estate assets for the benefit of the estate and creditors.
5 Applicant prepared and provided the Trustee and his counsel with supporting schedules
6 and underlying business records and consulted with them to assist in their analysis and
7 recovery of estate assets.
8

9 8. Applicant's services were provided as authorized by the Court and requested
10 by the Trustee and were necessary and reasonable under the circumstances of this case.
11 These services required .5 hours and \$235.50 in professional fees during the period
12 covered hereby.
13

14 **ANALYSIS OF FEES AND COSTS**

15 9. From September 1, 2022 through June 15, 2023, Applicant incurred 22.2
16 hours and \$11,181.00 in fees. Exhibit "A" attached hereto includes a summary of
17 professional fees being requested during this period which is supported by the
18 computerized time and expense detail regularly maintained by Applicant in the ordinary
19 course of business.
20

21 10. The breakdown of fees by individual participant is summarized in Exhibit "B"
22 attached hereto.

23 11. Applicant's blended hourly billing rate for services in this case was \$504..
24

25 **STANDARD FOR REVIEWING FEE APPLICATION AND REIMBURSEMENT OF**
26 **EXPENSES**

27 12. In Johnson v. Georgia Highway Express, Inc., 488 F.2d 719 (5th Circuit
28 1974), the Court set forth factors for determining a reasonable allowance of professional

1 fees. These factors were made applicable to bankruptcy cases through In re First Colonial
2 Corporation of America, 544 F.2d 1291, 1299 (5th Circuit 1977), cert. denied, 431 U.S. 904
3 (1977), and they are now substantially codified in Section 330(a) of the Bankruptcy Code.

4 These factors are applicable in the case at bar as follows:

5 **A. Time and Labor Required**

6 Applicant has expended 22.2 hours on this case. The above description of the
7 Firm's participation as the financial advisors and consultants for the Trustee amply justify
8 this expenditure of time.
9

10 **B. Novelty and Difficulty of the Questions**

11 This case has presented several unique and difficult issues with which the Applicant
12 had to identify and resolve as mentioned above in the Summary of the Firm's Activities.
13

14 **C. Skill Required to Perform the Services Properly**

15 The detail provided in the body of this fee application illustrates the necessity of the
16 Applicant's exceptional knowledge and skills in fulfilling its obligations to the Trustee.

17 **D. Customary Fees**

18 The rates charged by the Applicant and staff are normal charges on work performed
19 on these matters, without considering size and degree of responsibility, difficulty,
20 complexity, or results achieved.
21

22 **E. Whether the Fee is Fixed or Contingent**

23 As in all bankruptcy proceedings, the Firm's fees in connection with serving as the
24 financial advisors and consultants for the Trustee in this Chapter 7 case are subject to the
25 discretion of the Court in determining the value of the services rendered to the estate, and
26 are subject to the availability of the funds of the estate.
27

28 **F. Experience, Reputation and Ability of Firm**

1 Applicant has extensive knowledge in the real estate, corporate, commercial and
2 insolvency areas of finance. The professionals of Applicant providing services on behalf of
3 the Trustee have considerable experience and resources available, which have greatly
4 assisted them in rendering such services. Business consultants with lesser experience or
5 available resources might have required additional time and costs to complete the
6 assignment.

7
8 Applicant routinely serves as financial advisors, business consultants, tax analysts
9 or crisis manager in other cases in which attorneys and/or trustees are members or
10 associates of firms which may represent interested parties in the within case. Applicant
11 believes that no conflict of interest results therefrom.

12 **STATEMENT OF CLIENT PURSUANT TO THE GUIDELINES OF THE OFFICE OF THE**
13 **UNITED STATES TRUSTEE**
14

15 13. This fee application is being served upon the Trustee, United States Trustee,
16 Debtor, and counsel, if any. Applicant believes that subsequent to a review hereof, the
17 Trustee will indicate he has reviewed such fee application and has no objection thereto.
18 Such statement and/or comments will be filed with this Court upon its return to Applicant.

19 **FUNDS ON HAND IN THE DEBTOR'S ESTATE**
20

21 14. Applicant has been informed that the Trustee has collected and is holding
22 over \$1,000,000.00 in cash on hand, which is sufficient to pay Applicant's fees and costs,
23 along with other allowed administrative claims at least on a prorated interim basis.

24 **CONCLUSION**
25

26 15. Accordingly, Applicant submits that its requested fees are reasonable and
27 the services rendered were of substantial benefit to the estate; the fees requested *should*
28 therefore be allowed for payment.

1 **WHEREFORE**, Applicant prays that this Court enter its order allowing and
2 approving this Application as requested, thereby awarding Applicant's additional fees
3 incurred of \$11,181.00 and authorizing the Trustee's payment to Applicant thereof along
4 with the payment of \$10,758.00 in unpaid fees previously awarded pursuant to Applicant's
5 first interim fee application, for a combined total of \$21,939.00 in fees to be paid to
6 Applicant from estate funds on an interim basis, and for such other relief as approved by
7 the Court.
8

9
10 DATED: June 16, 2023

Menchaca & Company, LLP

11
12 By:  _____

13 Jeffrey L. Sumpter
14 Financial Advisors for Trustee
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DECLARATION OF JEFFREY L. SUMPTER

I, Jeffrey L. Sumpter, declare:

1. I am an attorney licensed to practice by the state of California and a CPA licensed to practice by the states of Nevada and Arizona. I am a managing director in the firm of Menchaca & Company, LLP (the "Applicant"), financial advisors and consultants for the Trustee herein.

2. The following statements are made based on facts within my personal knowledge, unless stated on information and belief, and as to such statements I believe them to be true and if called upon as a witness, I could and would testify competently thereto.

3. In the ordinary course of its business the Applicant maintains a record of all time expended by its professionals on a computerized time and billing system. At or near the time professional services are rendered, professionals of the Applicant prepare a written record or make an entry directly into the computer billing system for the time expended including a detailed description of the services provided. This information is entered into the Firm's computerized billing system and extended by the applicable billing rates for each professional. At any time a reimbursable charge is incurred on behalf of a client, a record is likewise made and entered into the computer. The Applicant conducts its business in reliance upon the accuracy of such records. At the appropriate time for making a fee application, a computerized listing of all time and expense items is prepared and the totals of such items are transcribed to a Summary Invoice covering the period for which the services were rendered.

4. Attached hereto are Exhibits "A" through "D" which includes the Professional Fee Statement, Professional Activity Summary, Monthly Summary of Fees, and Resumes of Applicant's professionals, covering the period September 1, 2022 through June 15, 2023, which includes all applicable detail time charges for which Applicant is seeking to be compensated on an interim basis. The attached exhibits include true and accurate

1 compilations of the time spent in this matter for which compensation is being sought
2 herein.

3 5. No agreement or understanding between the Applicant and any other entity
4 exists for the sharing of any compensation received or to be received by Applicant for
5 services rendered by the Applicant in connection with this case.

6 6. I have personally reviewed the fee application to which this Declaration is
7 attached to eliminate any duplicate charges and/or staff training time and have determined
8 that (i) all charges contained therein were necessary and reasonable in the circumstances
9 and (ii) such fee application complies with the Guidelines of the Office of the United States
10 Trustee.

11 I declare under penalty of perjury under the laws of the United States of America
12 that the foregoing is true and correct.

13 Executed this 16th day of June, 2023 at Phoenix, Arizona.

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17 Jeffrey L. Sumpter
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DECLARATION OF EDWARD M. WOLKOWITZ

I, Edward M. Wolkowitz, declare as follows:

1. I am the duly qualified and appointed Trustee for the Debtor's case herein. I have personal knowledge of the facts set forth in this Declaration and, if called as a witness, could and would competently testify thereto. I submit this Declaration in support of the Second Interim Application for Allowance and Payment of Fees and Reimbursement of Expenses of the Financial Advisors and Consultants for Trustee (the "Application").

2. I have reviewed the Application and the billing statements of Menchaca & Company, LLP attached thereto. I have no objection to the Application or the billing statements. The fees and costs incurred are reasonable and are based on actual and necessary services. Accordingly, I fully support the Application.

I declare under penalty of perjury that the foregoing is true and correct.

Executed this 7th day of June, 2023 at ^{Culver City CA} Los Angeles, California.



Edward M. Wolkowitz,
Trustee

Bankruptcy Estate of Pacific Theatres Exhibition Corp. et al

Filing: 2:21-bk-15007 Administratively Consolidated with:

Filed: 6/18/21 Pacific Theatres Entertainment Corporation, 2:21-bk-15008

Pacific Cinemas Corporation, 2:21-bk-15009

Glendale Americana Theatre, LLC, 2:21-bk-15010

ArcLight Cinema Company, 2:21-bk-15011

ArcLight Visions, Inc., 2:21-bk-15012

Summary of Time & Expenses

Date	Service Description	Professional	Hours	Rate	Fees
Asset Analysis and Recovery:					
6/6/2023	Review records for avoidable transfers analysis and email P. Gasteier re same	J. Sumpter	0.3	\$535	\$160.50
6/6/2023	Correspondence with P. Gasteier in response to his e mail inquiry.	L. Lee	0.2	\$375	\$75.00
Subtotal:			<u>0.5</u>		<u>\$235.50</u>
Employment and Fee Applications:					
9/15/2022	Fist Interim Fee Application preparation	J. Sumpter	2.9	\$535	\$1,551.50
9/15/2022	Prepare schedules for First Interim Fee Application.	L. Lee	1.7	\$375	\$637.50
9/20/2022	Fee Application preparation	J. Sumpter	1.1	\$535	\$588.50
9/22/2022	Fee Application preparation	J. Sumpter	1.4	\$535	\$749.00
9/25/2022	Fee Application Reviewing Interim Fee Application #1.	J. Menchaca	0.5	\$535	\$267.50
9/26/2022	First Interim Fee Application and exhibits preparation	J. Sumpter	1.8	\$535	\$963.00
10/4/2022	Fee Application preparation	J. Sumpter	1.2	\$535	\$642.00
11/2/2022	Fee Application preparation	J. Sumpter	1.2	\$535	\$642.00
11/30/2022	Fee Application hearing and prepare order thereon	J. Sumpter	0.4	\$535	\$214.00
6/15/2023	Prepare second interim fee application	J. Sumpter	1.0	\$535	\$535.00
6/15/2023	Prepare exhibits for second interim fee application	L. Lee	1.3	\$375	\$487.50
Subtotal:			<u>14.5</u>		<u>\$7,277.50</u>

Date	Service	Description	Professional	Hours	Rate	Fees
	Tax:					
9/20/2022		Correspondence with M. Robertson requesting Form 2 for Decurion tax preparation.	L. Lee	0.1	\$375	\$37.50
9/20/2022		Correspondence with G. Kelley providing Form 2 as requested for Decurion tax preparation.	L. Lee	0.1	\$375	\$37.50
9/27/2022		Review of California FTB and Maryland tax notices.	R. Coats	0.3	\$295	\$88.50
11/7/2022		Reviewing and commenting on email related to El Capitan Business License tax return and income tax return.	J. Menchaca	0.8	\$535	\$428.00
11/18/2022		Reviewing El Capitan Tax Return.	J. Menchaca	0.6	\$535	\$321.00
3/3/2023		Reviewing El Capitan Theatre Company tax return.	J. Menchaca	2.4	\$535	\$1,284.00
3/4/2023		Reviewing emails from Decurion inquiring about the winding up of El Capitan and inquiring of Trustee via email.	J. Menchaca	1.4	\$535	\$749.00
3/4/2023		Email to Linda regarding 2022 financials to be forwarded to Decurion.	J. Menchaca	0.3	\$535	\$160.50
3/5/2023		Compiling tax returns for filing.	J. Menchaca	0.7	\$535	\$374.50
3/9/2023		Correspondence with G. Kelley and A. Machtinger with estate cash transactions of 2022 per request for tax preparation and support.	L. Lee	0.1	\$375	\$37.50
3/31/2023		Correspondence with G. Kelley re 2022 activity; request Form 2 from M. Robertson for same.	L. Lee	0.2	\$375	\$75.00
4/3/2023		Review and provide 2022 financial activity to G. Kelley per request.	L. Lee	0.2	\$375	\$75.00
Subtotal:				<u>7.2</u>		<u>\$3,668.00</u>
Total Fees:				<u>22.2</u>		<u>\$11,181.00</u>
Blended Rate:					<u>\$504</u>	

Bankruptcy Estate of Pacific Theatres Exhibition Corp. et al

Filing: 2:21-bk-15007 Administratively Consolidated with:

Filed: 6/18/21 *Pacific Theatres Entertainment Corporation, 2:21-bk-15008*

Pacific Cinemas Corporation, 2:21-bk-15009

Glendale Americana Theatre, LLC, 2:21-bk-15010

ArcLight Cinema Company, 2:21-bk-15011

ArcLight Visions, Inc., 2:21-bk-15012

Professional Activity Summary

<u>Service</u>	<u>Professional</u>	<u>Hours</u>	<u>Rate</u>	<u>Fees</u>
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Asset Analysis and Recovery:

Managing Director

J. Sumpter	0.3	\$535	\$160.50
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Manager

L. Lee	0.2	\$375	\$75.00
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Subtotal:	<u>0.5</u>		<u>\$235.50</u>
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Employment and Fee Applications:

Managing Partner

J. Menchaca	0.5	\$535	\$267.50
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Managing Director

J. Sumpter	11.0	\$535	\$5,885.00
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Manager

L. Lee	3.0	\$375	\$1,125.00
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Subtotal:	<u>14.5</u>		<u>\$7,277.50</u>
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Tax:

Managing Partner

J. Menchaca	6.2	\$535	\$3,317.00
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Manager

L. Lee	0.7	\$375	\$262.50
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Senior Accountant

R. Coats	0.3	\$295	\$88.50
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Subtotal:	<u>7.2</u>		<u>\$3,668.00</u>
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Total Fees:	<u>22.2</u>		<u>\$11,181.00</u>
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Blended Rate:	<u>\$504</u>
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Bankruptcy Estate of Pacific Theatres Exhibition Corp. et al

Filing: 2:21-bk-15007 Administratively Consolidated with:
Pacific Theatres Entertainment Corporation, 2:21-bk-15008
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ArcLight Cinema Company, 2:21-bk-15011
ArcLight Visions, Inc., 2:21-bk-15012

Monthly Summary of Fees

	<u>Sept 2022</u>	<u>Oct 2022</u>	<u>Nov 2022</u>	<u>Dec 2022</u>	<u>Jan 2023</u>	<u>Feb 2023</u>	<u>SubTotal</u>
Asset Analysis and Recovery:	-	-	-	-	-	-	\$0.00
Employment and Fee Applications:	\$4,757.00	\$642.00	\$856.00	-	-	-	\$6,255.00
Tax:	\$163.50	-	\$749.00	-	-	-	\$912.50
	<u>\$4,920.50</u>	<u>\$642.00</u>	<u>\$1,605.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$7,167.50</u>

	<u>Mar 2023</u>	<u>Apr 2023</u>	<u>May 2023</u>	<u>June 2023</u>	<u>SubTotal</u>	<u>TOTAL</u>
Asset Analysis and Recovery:	-	-	-	\$235.50	\$235.50	\$235.50
Employment and Fee Applications:	-	-	-	\$1,022.50	\$1,022.50	\$7,277.50
Tax:	\$2,680.50	\$75.00	-	-	\$2,755.50	\$3,668.00
	<u>\$2,680.50</u>	<u>\$75.00</u>	<u>\$0.00</u>	<u>\$1,258.00</u>	<u>\$4,013.50</u>	<u>\$11,181.00</u>

MENCHACA & COMPANY LLP FIRM PROFILE

Menchaca & Company LLP is a firm of certified public accountants servicing clients throughout the Los Angeles metropolitan areas as well as other locations within California and the United States. Commercial experience includes primarily mid-sized companies with sales volume in the \$5 million to \$100 million range as well as partnerships, joint ventures and other business-oriented operations. In addition to accounting and tax preparation services, the firm provides services in all areas of business and financial consulting and tax planning.

Menchaca & Company LLP has a large segment of its practice concentrated in specialized areas of receiverships, investigative accounting, bankruptcy and litigation support. Menchaca & Company LLP has been appointed as professional accountants for Trustees and receivers and to assist in reorganizations, liquidations, tax research, planning, consultation and preparation, investigation accounting and other bankruptcy matters for numerous cases. John J. Menchaca, Managing Partner of the firm, serves as a Panel Trustee on the Central District of California Interim Panel of U.S. Bankruptcy Trustees.

Exhibit "b"

MENCHACA & COMPANY LLP PERSONNEL

JOHN J. MENCHACA-CPA, MS TAXATION, CIRA (MANAGING PARTNER / CHAPTER 7 TRUSTEE / CHAPTER 11 TRUSTEE) Mr. Menchaca has over 25 years of experience in public accounting. He has significant tax consulting and tax compliance experience in corporate, partnership, Limited Liability Company, Limited Liability Partnership and individual taxation, at both the federal and state levels. Mr. Menchaca's corporate tax experience includes closely held corporations, publicly traded multi-state corporate consolidations and S corporations. His experience also includes tax structuring of complex business transactions, form of ownership determinations, corporate and partnership reorganizations and restructurings, dischargeability of taxes in bankruptcy and dealing with tax issues related to Chapter 7 and Chapter 11 bankruptcy filings. He has also been successfully involved with Internal Revenue and Franchise Tax Board protest and audit defense. Mr. Menchaca is also a Chapter 7 Panel Trustee for the Central District of California.

Mr. Menchaca also specializes in forensic accounting, fraud investigations, litigation support and expert witness services, business restructuring, *real* estate sales, Chapter 11 plan feasibility and liquidation analysis, solvency analysis, claim resolutions. business valuations, taxation, avoidable transfers, recoveries, asset tracing and bankruptcy case administration.

Prior to forming his own firm, Mr. Menchaca was a Principal with Vasquez & Company LLP for six years. Mr. Menchaca was also with the international accounting firm of Ernst & Young LLP for 14 years. While with Ernst & Young LLP, Mr. Menchaca provided financial, accounting and tax services to middle market privately held and publicly traded companies with revenues of up to \$250 million.

Mr. Menchaca serves on the USC / Kenneth Leventhal School of Accounting Board of Advisors. He is a member of the National Association of Bankruptcy Trustees, American Bankruptcy Institute, Los Angeles Bankruptcy Forum, Association of Insolvency and Restructuring Advisors, American Institute of Certified Public Accountants and the California Society of Certified Public Accountants.

Mr. Menchaca graduated with a Bachelor of Science in Business Administration with an emphasis in Accounting from the University of Southern California and received a Master of Science in Taxation from Golden Gate University.

JEFFREY L. SUMPTER, CPA, ESQ. (MANAGING DIRECTOR / LITIGATION SUPPORT SERVICES) Mr. Sumpter has been a licensed attorney for over 25 years, is a member of the California Bar and has been a certified public accountant for over 30 years, licensed in the states of Arizona and Nevada, with privileges to practice in California. He specializes in forensic accounting, fraud investigations, litigation support and expert witness services, business restructuring, real estate sales, Chapter 11 plan feasibility and liquidation analysis, solvency analysis, claim resolutions, business valuations, taxation, avoidable transfers, recoveries, asset tracing and bankruptcy case administration. He has experience working in the spheres of real estate development, manufacturing, retail, transportation, telecommunications, construction, banking, government trusts, restaurants, medical providers, hotels, gaming, insurance, entertainment and environmental. Mr. Sumpter has extensive experience in fiduciary administration, forensic investigations, business restructuring, and litigation consultation services in over 10,000 cases involving bankruptcy administration, receiverships, fraud, business sale transactions, turnarounds, distressed business valuations, wage and hour disputes, records reconstruction, accounting irregularities, breaches of fiduciary duty, fraudulent transfers, insolvency, punitive damages, Ponzi schemes and contract disputes. He has represented businesses in out-of-court resolutions as well as creditors, trustees, committees, and debtors in bankruptcy proceedings. He has been appointed as a Chapter 11 trustee and examiner in Phoenix, Arizona, and has been engaged by school districts, real estate developers, hotels, casinos, insurance carriers, banks, trusts and pension, health and welfare plans in California, Nevada, and Arizona for audit, tax, contract compliance, and forensic investigation engagements.

LINDA LEE, CPA, CFE, CIRA (MANAGER / LITIGATION SUPPORT SERVICES) Ms. Lee is a certified public accountant licensed in the states of California and Arizona, a Certified Fraud Examiner and a Certified Insolvency and Restructuring Advisor. Her core practice is in forensic accounting, asset identification and tracing, records reconstruction, avoidable transfer analysis, fraud investigations, litigation support and consulting. She began her work in public accounting in 2007 in financial auditing, and has

performed various services including forensic analysis, valuation, litigation support, auditing and reporting functions. In addition, she has over 20 years of experience in manufacturing, encompassing all aspects of production and operations. Ms. Lee earned a Bachelor of Science in Textile Science from Penn State University, and subsequently earned a Certificate in Professional Accounting from Santa Monica College. She was the Vice President of Operations for a start-up factor serving the garment industry.

EDWARD A. ALVARADO – AVA, CFE – (VALUATION & LITIGATION CONSULTANT) Edward A. Alvarado is the owner of the Valuation and Litigation Support Services firm of Alvarado Consulting, Inc. Mr. Alvarado has over fifteen years of litigation and consulting experience providing damage analysis involving economic, accounting and financial issues in a variety of cases including fraud, unfair business competition, patent, copyright and trademark infringement, breach of contract, accounting and attorney malpractice, antitrust and construction.

TOSHIHIRO A. OKUBO – CPA – (MANAGER) Mr. Okubo graduated from California State University, Los Angeles with a Bachelor of Science in Business Administration in September 1992 and graduated from University of Southern California with a Master of Business Taxation in May, 1998. Mr. Okubo has financial and tax consulting experience with both local and big four accounting firms.

ROBERT P. COATS – (SENIOR ACCOUNTANT) Mr. Coats hold a Bachelor of Science Degree in Accounting from California State University, Los Angeles. Mr. Coats has 20 years of tax preparation experience for individuals and corporations and 14 years of experience preparing Chapter 7 and Chapter 11 bankruptcy estate tax returns. He is familiar with all areas of bankruptcy tax and accounting issues. Mr. Coats has tax experience with both local and big four accounting firms.

SCOTT M. MCLEAN – (SENIOR ACCOUNTANT) Mr. McLean graduated from California State Polytechnic University, Pomona with a Bachelor of Science in Accounting/Business Administration with an emphasis in Taxation. Mr. McLean is familiar with all areas of bankruptcy tax and has experience in providing a full range of accounting services, including all aspects of Taxation.

NATALIE F. BELTRAN - CPA - (SENIOR ACCOUNTANT) Ms. Beltran graduated with a Bachelor of Science Degree in Commerce, Major in Accounting from University of Santo Tomas, Manila, Philippines. Ms. Beltran is a licensed Certified Public Accountant in the State of California and the Philippines. Ms. Beltran has experience in providing a full range of accounting services, including all aspects of Taxation.

IMELDA GAETA - (PARAPROFESSIONAL) Ms. Gaeta has worked as a Bankruptcy Trustee Administrator since 1997. Ms Gaeta has completed course work at Pasadena Community College and is the Secretary of the Trustee Administrators' Group (TAG).

In re: PACIFIC THEATRES EXHIBITION CORP., et al.,

Debtor(s).

CHAPTER 7

CASE NUMBER 2:21-bk-15007-BB

NOTE: When using this form to indicate service of a proposed order, **DO NOT** list any person or entity in Category I. Proposed orders do not generate an NEF because only orders that have been entered are placed on the CM/ECF docket.

PROOF OF SERVICE OF DOCUMENT

I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is:
835 Wilshire Blvd., Ste. 300, Los Angeles, CA 90017

A true and correct copy of the foregoing document described:

SECOND INTERIM APPLICATION FOR COMPENSATION OF FEES AND REIMBURSEMENT OF EXPENSES OF MENCHACA & COMPANY, LLP AS FINANCIAL ADVISORS AND CONSULTANTS FOR TRUSTEE; DECLARATIONS OF JEFFREY L. SUMPTER AND TRUSTEE IN SUPPORT THEREOF will be served or was served (a) on the judge in chambers in the form and manner required by LBR 5005-2(d); and (b) in the manner indicated below:

I. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING ("NEF") – Pursuant to controlling General Order(s) and Local Bankruptcy Rule(s) ("LBR"), the foregoing document will be served by the court via NEF and hyperlink to the document. On June 21, 2023, I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following person(s) are on the Electronic Mail Notice List to receive NEF transmission at the email address(es) indicated below:

- **Kenechi R Agu** kagu@kralegal.com
- **Ryan W Anderson** randerson@gamlaw.com, llofredo@gamlaw.com
- **Shaun J Bauman** info@thela-lawyer.com
- **Erin N Brady** erin.brady@hoganlovells.com,
cindy.mitchell@hoganlovells.com;tracy.southwell@hoganlovells.com
- **William S Brody** wbrody@buchalter.com,
dbodkin@buchalter.com;IFS_filing@buchalter.com;smartin@buchalter.com
- **Andrew Browning** abrowning@lntlb.com
- **Vincent V Frounjian** vvf.law@gmail.com
- **Philip A Gasteier** pag@lnbyg.com
- **David S Hagen** davidhagenlaw@gmail.com
- **Marsha A Houston** mhouston@reedsmith.com, hvalencia@reedsmith.com
- **Brian D Huben** hubenb@ballardspahr.com, carolod@ballardspahr.com
- **William W Huckins** whuckins@allenmatkins.com,
clynch@allenmatkins.com;igold@allenmatkins.com
- **Jeffrey Huron** jhuron@dykema.com,
ebailon@dykema.com;slara@dykema.com;DocketLA@dykema.com
- **Daniel King** dking@theattorneygroup.com, r44432@notify.bestcase.com
- **Jeffrey S Kwong** jsk@lnbyg.com, jsk@ecf.inforuptcy.com
- **Noreen A Madoyan** Noreen.Madoyan@usdoj.gov
- **Kristen N Pate** bk@bpretail.com
- **William F Salle** wfslaw@yahoo.com
- **Jeffrey L Sumpter** jsumpter1@cox.net

This form is mandatory. It has been approved for use by the United States Bankruptcy Court for the Central District of California.

In re: PACIFIC THEATRES EXHIBITION CORP., et al.,

Debtor(s).

CHAPTER 7

CASE NUMBER 2:21-bk-15007-BB

- John N Tedford jtedford@DanningGill.com,
danninggill@gmail.com;jtedford@ecf.courtdrive.com
- United States Trustee (LA) ustpreion16.la.ecf@usdoj.gov
- Abdul Wakil sal@sawlawgroup.com
- Edward M Wolkowitz (TR) emwtrustee@lnbyg.com, ecf.alert+Wolkowitz@titlexi.com

☐ Service information continued on attached page

II. SERVED BY U.S. MAIL OR OVERNIGHT MAIL(indicate method for each person or entity served):

On June 21, 2023 I served the following person(s) and/or entity(ies) at the last known address(es) in this bankruptcy case or adversary proceeding by placing a true and correct copy thereof in a sealed envelope in the United States Mail, first class, postage prepaid, and/or with an overnight mail service addressed as follows. Listing the judge here constitutes a declaration that mailing to the judge will be completed no later than 24 hours after the document is filed.

Pacific Theatres Exhibition Corp., Pacific Theatres Entertainment Corp., Pacific Cinemas Corp., Glendale
AmericanaTheatre, LLC, ArcLight Cinema Company, ArcLight Visions, Inc., 120 N. Robertson Blvd., 3rd Floor, Los
Angeles CA 90048

☐ Service information continued on attached page

III. SERVED BY PERSONAL DELIVERY, FACSIMILE TRANSMISSION OR EMAIL (indicate method for each person or entity served): Pursuant to F.R.Civ.P. 5 and/or controlling LBR, on _____ I served the following person(s) and/or entity(ies) by personal delivery, or (for those who consented in writing to such service method), by facsimile transmission and/or email as follows. Listing the judge here constitutes a declaration that personal delivery on the judge will be completed no later than 24 hours after the document is filed.

☐ Service information continued on attached page

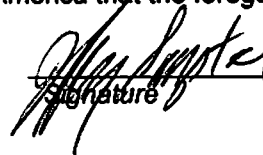
I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

June 21, 2023

Jeffrey Sumpter

Date

Type Name


Signature